INSTRUMENT NO.030001781 BK 391PG 394 Recorded in the Clerk's Office of Dickenson County



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB 03/04/15-1145

ELECTIONS, UNIT: VC-505247

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on May 29, 2003 and recorded at Book 387, Page 773 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on May 30, 2003 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

Findings: The Board finds that:

- (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
- The designated operator filed its affidavit of mailing dated June 9, 2003, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
- The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated July 25, 2003, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-

- 160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
- (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Rachel Rafferty, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
- 3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Rachel Rafferty, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
- 4. <u>Mailing of Order and Filing of Affidavit:</u> The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
- 5. <u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- 6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 8 day of the Virginia Gas and Oil Board.	of <u>September</u> , 2003 by a majority
5	B- ful st
	Chairman, Benny R. Wampler
DONE AND PERFORMED THIS // day of this Board.	of <u>September</u> , 2003 by Order
	Mulil
	B. R. Wilson Principal Executive to the Staff Virginia Gas and Oil Board
STATE OF VIRGINIA) COUNTY OF WISE)	
Acknowledged on this day of day of public in and for the Commonwealth of Virginia, as sworn did depose and say that he is Chairman of the executed the same and was authorized to do so.	ppeared Benny R. Wampler, being duly
	Donna V. Me Fadder Notary Publid
My commission expires: September 30, 200	4 .
STATE OF VIRGINIA) COUNTY OF WISE) Washington	
Acknowledged on this // day of lower notary public in and for the Commonwealth of Virg sworn did depose and say that he is Principal Execution Board, that he executed the same and was authorized	ginia, appeared B. R. Wilson, being duly ative to the Staff Virginia Gas and Oil
	Diane J. Davis Notary Public
My commission expires: 9-30-05	

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number VC-505247 VGOB Docket No. VGOB-03/04/15-1145 in the Kenady Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law. Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

- 1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf:
- 2. That the Order entered on May 29, 2003, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order:
- 3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2, above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter:
- 4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on May 30, 2003.
- 5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order: that said procedures were followed to identify the elections, if any, made with regard to Subject Unit: that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia: as conflicting claimants to the coalbed methane gas that opposite the name of each person named as a Respondent listed below is set forth:

Douglas A. Stidham 123 Marlene Drive Bristol, VA	.00018500 RI
Omar Dayton Stidham and Emma Jean Stidham, his wife Route 2, Box 112 Coeburn, VA 24230	.00018500 RI
Velma Morrell and Albert C. Morrell, her husband Route 5 Box 560 Bristol, VA	.00018500 RI
Daril Stidham and Debbie Stidham, his wife Route 5 Box 313 Bristol, VA	.00018500 RI
Garland Stidham and Barbara E. Stidham, his wife 10107 Terrance North Largo, FL 33543	.00018500 RI
Allen Stidham and Teen aM. Stidham, his wife 2046 Velencia Way Clearwater, FL 33516	.00018500 RI
Lorita Whitley and Thomas R. Whitley, her husband 1620 Braund Avenue Clearwater, FL 33516	.00018500 RI
Dennis Paul Stidham, single	.00092500 RI

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Box 1245 Hildebran, NC 28637	
Suzy Stidham Hall, single 2127 Grier View Lane Charlotte, NC 28213	.00092500 RI
Harold Stidham and Edith Stidham, his wife 10633 Monroe Street Taylor, MI 48180	.00018500 RI
David Stidham and Laura K. Stidham, his wife PO Box 26452 Charlotte, NC 28213	.00027750 RI
Bruce Stidham Coeburn, VA 24230	.00064750 RI

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims.

None

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

Tract	Name	Cash Consideration
5	Douglas A. Stidham, single	.0870 acres X \$5.00 = \$0.44
	Omar Dayton Stidham and wife Emma Jean Stidham	0.0870 acres X \$5.00 = \$0.44
	Velma Morrell and Albert C. Morrell, her husband	0.0870 acres X \$5.00 = \$0.44
	Daril Stidham and Debbie Stidham, his wife	0.0870 acres X \$5.00 = \$0.44
	Garland Stidham and Barbara	0.0870 acres X \$5.00 = \$0.44

E. Stidham, his wife

Allen Stidham and Teena M. 0.0870 acres X \$5.00 = \$0.44

Stidham, his wife

0.0870 acres X \$5.00 = \$0.44David Stidham and Laura K.

Stidham, his wife

0.0870 acres X \$5.00 = \$0.44Lorita Whitley and Thomas R.

Whitley, her husband

0.0435 acres X \$5.00 = \$0.22Dennis Paul Stidham, single

Suzy Stidham Hall, single 0.0435 acres X \$5.00 = \$0.22

Harold Stidham and Edith J. 0.0870 acres X \$5.00 = \$0.44

Stidham, his wife

David Stidham and Laura K. .1305 acres X \$5.00 - \$0.65

Stidham

Bruce Stidham .3045 acres X .00 = 1.53

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this ___

2003.

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this -25%

day of

2003.

My commission expires: $\sqrt{25/05}$

EXHIBIT "B" VC-505247 VGOB 03-0415-1145

	VGOB U					
TRACT	<u>LESSOR</u>	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE <u>IN UNIT</u>	NET REVENUE INTEREST	_
	Gas E	Estate Only				
1	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 241640.01 T-625	78.620000%	46.2100	0.09827500	RI
	Equitable Production Company		· — ·		0.68792500	WI_
	Tract 1 Totals		78.620000%	46.21000000	0.78620000	_
2	Elizabeth Ann Cox and Berkeley Cox, W/H 146 Fern Street Hartford, CT 06105	Leased-EPC 241574.01	0.41000000%	0.2400	0.00051250	RI
	Emily P. Baker Canterbury Court # 558 3750 Peachtreet Road NE Atlanta, GA 30319	Leased-EPC 241574.01	0.41000000%	0.2400	0.00051250	Ri
	Mrs. Pauline B. Legard, c/o Edwin F. Legard, Jr. 64 Canoe Hill Road New Canaan, CT 06840	Leased-EPC 241574.01	0.41000000%	0.2400	0.00051250	RI
	Equitable Production Company	······································			0.01076250	WI
	Tract 2 Totals		1.230000%	0.72000000	0.01230000	_
3	Norman A. Stanley and Laquita Joy Stanley, H/W 4184 Lee Hwy Bristol, VA 24201	Leased-EPC 241644.01	17.900000%	10.5200	0.02237500	RI
	Equitable Production Company			<u> </u>	0.15662500	WI
	Tract 3 Totals		17.900000%	10.52000000	0.17900000	
4	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 241490.01 T-626	0.770000%	0.4500	0.00096250	RI
	Equitable Production Company				0.00673750	WI
	Tract 4 Totals		0.770000%	0.45000000	0.00770000	_
5	Douglas A. Stidham, single 123 Marlene Drive Bristol, VA 37620	Deemed Leased	0.148000%	0.0870	0.00018500	RI
	Omar Dayton Stidham and Emma Jean Stidham, H/W Route 2, Box 112 Coeubrn, VA 24230	Deemed Leased	0.148000%	0.0870	0.00018500	RI

TOTAL GAS ESTATE		100.000000%	58.7700	1.0000	
Bruce Stidham Coeburn, VA 24230	Deemed Leased	.518000%	.3045	0.00064750	RI
David Stidham and Laura K. Stidham, H/W PO Box 26452 Charlotte, NC 28213	Deemed Leased	.222000%	.1305	0.00027750	RI
OR (If Deeds are placed of reco	ord)				
Tract 5 Totals		1.480000%	0.87000000	0.01480000	_
Equitable Production Company				0.01295000	WI
and Edith J. Stidham, H/W 10633 Monroe Street Taylor MI 48180	Leased				
Harold Stidham	Deemed	0.148000%	0.0870	0.00018500	RI
Suzy Stidham Hall, single 2127 Grier View Lane Charlotte, NC 28213	Deemed Leased	0.074000%	0.0435	0.00009250	RI
Dennis Paul Stidham, single Box 1245 Hildebran, NC 28637	Deemed Leased	0.074000%	0.0435	0.00009250	Ri
Lorita Whitley and Thomas R. Whitley, W/H 1620 Braund Avenue Clearwater, FL 33516	Deemed Leased	0.148000%	0.0870	0.00018500	Ri
David Stidham and Laura K. Stidham, H/W PO Box 26452 Charlotte, NC 28213	Deemed Leased	0.148000%	0.0870	0.00018500	RI
Allen Stidham and Teena M. Stidham, H/W 2046 Velencia Way Clearwater, FL 33516	Deemed Leased	0.148000%	0.0870	0.00018500	RI
Garland Stidham and Barbara E. Stidham, H/W 10107 Terrance North Largo, FL 33543	Deemed Leased	0.148000%	0.0870	0.00018500	RI
Daril Stidham and Debbie Stidham, H/W Route 5, Box 313 Bristol, VA 37620	Deemed Leased	0.148000%	0.0870	0.00018500	RI
Velma Morrell and Albert C. Morrell, W/H Route 5, Box 560 Bristol, VA 37620	Deemed Leased	0.148000%	0.0870	0.00018500	RI

Coal Estate Only

1	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 241490.01 T-625	78.620000%	46.2100	0.09827500	RI
	Equitable Production Company				0.687925	WI
	Tract 1 Totals		78.620000%	46.21000000	0.78620000	
2	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 244792.01 TC-156	1.230000%	0.7200	0.00153750	RI
	Equitable Production Company				0.0107625	WI
	Tract 2 Totals		1.230000%	0.72000000	0.01230000	
3	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 244792.01 TC-156	17.900000%	10.5200	0.02237500	RI
	Equitable Production Company				0.156625	WI
	Tract 3 Totals		17.900000%	10.52000000	0.17900000	
4	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 241490.01 T-626	0.770000%	0.4500	0.00096250	RI
	Equitable Production Company				0.0067375	WI
	Tract 4 Totals		0.770000%	0.45000000	0.00770000	
5	Coastal Coal Co., LLC Attn: Mr. Jess Justice PO Box 1578 Coeburn VA 24230-1578	Leased-EPC 904576 D-42	1.480000%	0.8700	0.00185000	RI
	Equitable Production Company				0.01295	<u>WI</u>
	Tract 5 Totals		1.480000%	0.87000000	0.01480000	
	TOTAL COAL ESTATE		100.000000%	58.77000000	1.00000000	

INSTRUMENT #030001781 ECORDED IN THE CLERK'S OFFICE OF DICKENSON ON SEPTEMBER 15, 2003 AT 12:32PM JOE TATE, CLERK

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 501, 15, 203. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 13, 32 o'clock 15 M, after payment of tax imposed by Sec. 58.1-802.

Original returned this date to Dane Davis

BY: TESTE: JOE ATE, CLERK

_D. CLERK

COMMONWEALTH OF VIRGINIA



ASHLER: 184 REE, 12:31:37 ACDOUNT: 051CLR02001781 RECEIPT: 030000044557 ASHLER: 184 REEE 17:03000044557 ASHLER: 184 REEE 184 REEE 185 0515/03 AT 12:38 AND THE STANDARD ROOM STANDARD RO 5235 **S**S PASES.

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